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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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COMMISSIONERS

GARY PIERCE – Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

IN THE MATTER OF:

DOCKET NO. S-20814A-11-0313

DAVID PAUL SMOOT and MARIE KATHLEEN
SMOOT (a.k.a. "KATHY SMOOT"), husband and
wife,

NATIVE AMERICAN WATER, L.L.C. (d.b.a.
"NATAWA"), an Arizona limited liability company,

NATAWA CORPORATION (d.b.a. "NATAWA"), a
Delaware corporation with a revoked authorization to
conduct business in Arizona as a foreign corporation,

AMERICAN INDIAN TECHNOLOGIES
INTERNATIONAL, L.L.C. (a.k.a. "AITI"), an
Arizona limited liability company,

RESPONDENTS.

PROCEDURAL ORDER
(Continues Pre-Hearing Conference)

BY THE COMMISSION:

On October 20, 2011, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against the following individuals and entities: David Paul Smoot and Marie Kathleen Smoot aka Kathy Smoot, husband and wife; Native American Water, L.L.C., an Arizona limited liability company dba NATAWA ("NAW"); NATAWA Corporation, a Delaware corporation ("NATAWA"); and American Indian Technologies International, L.L.C., an Arizona limited liability company ("AITI") (collectively "Respondents") in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of debentures, notes, membership interests in limited liability companies and corporate stock.

The spouse ("Respondent Spouse") of Respondent David Smoot is joined in the action pursuant to A.R.S. § 44-2031(C) solely for the purpose of determining the liability of the marital

1 community.

2 The Respondents were duly served with copies of the Notice.

3 On October 31, 2011, a request for hearing was filed on behalf of the Respondents.

4 On November 1, 2011, by Procedural Order, a pre-hearing conference was scheduled on
5 November 29, 2011.

6 On November 17, 2011, Respondents' counsel filed a Motion to Continue the pre-hearing
7 conference due to a scheduling conflict. It was indicated therein that the Division had no objections
8 to the continuance and alternative dates for the pre-hearing conference were suggested.

9 Accordingly, the pre-hearing conference should be continued.

10 IT IS THEREFORE ORDERED that the **pre-hearing conference shall be continued from**
11 **November 29, 2011, to January 18, 2012, at 10:00 a.m.,** at the Commission's offices, 1200 West
12 Washington Street, Hearing Room No. 1, Phoenix, Arizona.

13 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
14 Communications) applies to this proceeding as the matter is now set for public hearing.

15 IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance
16 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the
17 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances
18 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is
19 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the
20 Administrative Law Judge or the Commission.

21 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules
22 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to practice of law and admission
23 *pro hac vice*.

24 IT IS FURTHER ORDERED that Respondent's request for discovery shall be taken under
25 advisement.

26 ...

27 ...

28 ...

1 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive
2 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

3 DATED this 21st day of November, 2011.

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6 
7 MARC E. STERN
ADMINISTRATIVE LAW JUDGE


8 Copies of the foregoing mailed/delivered
9 this 21st day of November, 2011 to:

10 Michael D. Kimerer
11 KIMERER & DERRICK, P.C.
12 221 East Indianola Avenue
Phoenix, AZ 85012
Local Counsel for Respondents

13 Timothy J. Galligan
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16 Matt Neubert, Director
17 Securities Division
18 ARIZONA CORPORATION COMMISSION
1300 West Washington Street
Phoenix, AZ 85007

19 ARIZONA REPORTING SERVICE, INC.
20 2200 North Central Avenue, Suite 502
Phoenix, AZ 85004

21 By: 
22 Debra Broyles
23 Secretary to Marc E. Stern
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25
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